

**CONTRACT #4**  
**RFS # N/A**  
**UT Tracking No. 98135**

**University of Tennessee**  
**Health Science Center**

**VENDOR:**  
**UT Medical Group, Inc.**



THE UNIVERSITY of TENNESSEE

Vice President for Administration and Finance

711 Andy Holt Tower  
Knoxville, TN 37996-0174  
Phone: (865) 974-2243  
Fax: (865) 974-1324

December 19, 2006

Mr. Jim White  
Executive Director  
Fiscal Review Committee  
8<sup>th</sup> Floor, Rachel Jackson Building  
Nashville, TN 37243

RECEIVED

DEC 21 2006

FISCAL REVIEW

Dear Mr. White:

On May 15, 2006, the University of Tennessee presented for the committee's review a contract with UT Medical Group, Inc. (UTMG) for the supervision of OB/GYN residents at the Baptist Women's Hospital. The university has an affiliation agreement with UTMG whereby UTMG is the sole provider for OB/GYN patient care activities of the university's full-time faculty members. Patient care activities are defined as medical, medical administrative, educational and related professional services to hospitals. The amount of the FY 2007 original contract is \$400,000 with effective dates of July 1, 2006 through June 30, 2007.

Attached for the committee's review is an amendment to the original contract increasing the university's FY 2007 maximum liability to \$425,000, an increase of \$25,000 above the original contract amount. The amendment represents increased cost for services provided by UTMG beyond the original projection. Increased revenues from the Baptist Hospital will fund the increased cost.

If you have any questions or need additional information, please let me know.

Sincerely,

Sylvia Shannon Davis  
Vice President for Administration and Finance

c: John Petersen  
Anthony Ferrara  
Bill Owen  
Anthony Haynes  
Sandra Pulliam  
Gary Rogers

# CONTRACT SUMMARY SHEET

021406

<b>RFS #</b>		<b>Contract #</b>	
		<b>98135</b>	
<b>State Agency</b>		<b>State Agency Division</b>	
University of Tennessee		UT Health Science Center	
<b>Contractor Name</b>		<b>Contractor ID # (FEIN or SSN)</b>	
UT Medical Group, Inc.		<input type="checkbox"/> C- or <input type="checkbox"/> V- 62-1162482	
<b>Service Description</b>			
Faculty supervision services for Residents.			
<b>Contract BEGIN Date</b>	<b>Contract END Date</b>	<b>Subrecipient or Vendor?</b>	<b>CFDA #</b>
July 1, 2006	June 30, 2007	Vender	N/A
<b>Mark Each TRUE Statement</b>			
<input type="checkbox"/> N/A Contractor is on STARS		<input type="checkbox"/> Contractor's Form W-9 is on file in Accounts	
<b>Allotment Code</b>	<b>Cost Center</b>	<b>Object Code</b>	<b>Fund</b>
332.30	N/A	N/A	N/A
<b>Funding Grant Code</b>	<b>Funding Subgrant Code</b>		
N/A	N/A		
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>
2007			
<b>TOTAL:</b>	\$ -	\$ -	\$ -
			\$ 425,000.00
			\$ 425,000.00
<b>— COMPLETE FOR AMENDMENTS ONLY —</b>			
<b>FY</b>	<b>Base Contract &amp; Prior Amendments</b>	<b>THIS Amendment ONLY</b>	<b>State Agency Fiscal Contact &amp; Telephone #</b>
2007	\$ 400,000.00	\$ 25,000.00	Sylvia Davis 865-974-2243
<b>TOTAL:</b>	\$ 400,000.00	\$ 25,000.00	
<b>End Date</b>	June 30, 2007	June 30, 2007	
<b>Contractor Ownership</b> (complete only for base contracts with contract # prefix FA or GR) N/A			
<input type="checkbox"/> African American	<input type="checkbox"/> Person w/ Disability	<input type="checkbox"/> Hispanic	<input type="checkbox"/> Small Business
<input type="checkbox"/> Asian	<input type="checkbox"/> Female	<input type="checkbox"/> Native American	<input type="checkbox"/> NOT disadvantaged
<b>Contractor Selection Method</b> (complete for ALL base contracts—N/A to amendments or delegated authorities)			
<input type="checkbox"/> RFP	<input type="checkbox"/> Competitive Negotiation	<input type="checkbox"/> Alternative Competitive Method	
<input checked="" type="checkbox"/> Non-Competitive Negotiation	<input type="checkbox"/> Negotiation w/ Government (eg, ID, GG, GU)	<input type="checkbox"/> Other	
<b>Procurement Process Summary</b> (complete for Alternative Method, Competitive Negotiation, Non-Competitive Negotiation, OR Other)			
<p>The University of Tennessee has an affiliation agreement with the UT Medical Group, Inc. (UTMG) whereby UTMG is the sole provider for OB/GYN patient care activities to the university's full-time faculty members.</p>			

**THE UNIVERSITY OF TENNESSEE  
REQUEST: NON-COMPETITIVE AMENDMENT**

**APPROVED:**

\_\_\_\_\_  
UT System Office Approval

\_\_\_\_\_  
Date

EACH REQUEST ITEM BELOW MUST BE DETAILED OR ADDRESSED AS REQUIRED.

1) <b>UT Tracking Number:</b>	98135		
2) <b>Campus/Institute Name:</b>	UT Health Science Center		
<b>EXISTING CONTRACT INFORMATION</b>			
3) <b>Short Description:</b>	Increase the amount of the OB/GYN contract		
4) <b>Proposed Vendor:</b>	Name:	UT Medical Group	
	Vendor Number:		
	Vendor ID:	62-1162482	
5) <b>Contract #</b>	98029		
6) <b>Contract Start Date:</b>	07/01/06		
7) <b><u>Current</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised:</b>	06/30/07		
8) <b><u>Current</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised:</b>	\$400,000.00		
<b>PROPOSED AMENDMENT INFORMATION</b>			
9) <b><u>Proposed</u> Amendment #</b>	1		
10) <b><u>Proposed</u> Amendment Effective Date:</b>	<del>03/01/06</del> 3-1-07		
11) <b><u>Proposed</u> Contract End Date IF <u>all</u> Options to Extend the Contract are Exercised:</b>	06/30/07		
12) <b><u>Proposed</u> Total Maximum Cost IF <u>all</u> Options to Extend the Contract are Exercised:</b>	\$425,000.00		
13) <b>Approval Criteria:</b> (select one)	<input type="checkbox"/>	use of Non-Competitive Negotiation is in the best interest of the university	
	<input checked="" type="checkbox"/>	only one uniquely qualified service provider able to provide the service	
14) <b>Description of the Proposed Amendment Effects &amp; Any Additional Service</b>			

**Leni Chick**

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**From:** McNeil, Diane G [mcneild@tennessee.edu]  
**Sent:** Tuesday, January 09, 2007 8:21 AM  
**To:** Leni Chick  
**Subject:** UTMG Contract

Leni,  
The amendment between UT Health Science Center and UT Medical Group for \$25,000 should have a Proposed Amendment Effective Date of March 31, 2007. We just caught the typo. Could you just pencil in the change on the amendment page?

Thanks.

Diane G. McNeil  
Office of Vice President for Administration and Finance  
711 Andy Holt Tower  
Knoxville, TN 37996-0174  
865.974.8036  
865.974.1324 (Fax)

1/9/2007

The amendment allows a continuation of service at the current levels.
15) Explanation of Need for the Proposed Amendment:
UTMG's cost for providing the required supervisory service increased. The Baptist Hospital will provided the financial resources to fund this increased liability.
16) Name & Address of Vendor/Contractor's Current Principal Owner(s): (not required if proposed contractor is a state education institution)
UTMG 66 N Pauline Suite 101 Memphis, TN 38105
17) Documentation of Office for Information Resources Endorsement: N/A (required <u>only</u> if the subject service involves information technology)
18) Documentation of Department of Personnel Endorsement: N/A (required <u>only</u> if the subject service involves training for state employees)
19) Documentation of State Architect Endorsement: N/A (required only if the subject service involves construction or real property related services)
20) Description of Procuring Agency Efforts to Identify Reasonable, Competitive, Procurement Alternatives :
Under the provisions of the UT/UTMG Affiliation Agreement, UTMG Shall be the "sole and exculsive entity through and under which the patient care activities of the University's full-time faculty members" shall be conducted. "Patient care activities" are defined in the agreement as "medical, medical administrative, educational and related professional services to hospitals."
21) Justification for the Proposed Non-Competitive Amendment :
The UT/UTMG Affiliation Agreement designates UTMG as the sole and exclusive entity for this service.

# THE UNIVERSITY OF TENNESSEE

## CONTRACT AMENDMENT

This amendment is to the contract between the University of Tennessee (hereinafter University) and  
UTMG (hereinafter Contractor), which Contract was signed by the University on \_\_\_\_\_.

This Contract amendment consists of this cover page, the University's Standard Terms and Conditions (on reverse), and 0  
additional pages.

By mutual agreement, the University and the Contractor agree to the following amendment:

Effective March 1, 2007, amending the UTMG contract to increase the supervision payment from  
\$400,000 to \$425,000 per the agreement with Baptist Memorial Hospital.

All other terms remain unchanged.

In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly  
authorized representatives.

### FOR CONTRACTOR:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Address

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
SSN or Fed. Id. No.

Rev. 2-1-97

### FOR UNIVERSITY:

\_\_\_\_\_  
Graduate Medical Education  
Department Name

\_\_\_\_\_  
E073202  
Responsible Account  
(If applicable)

\_\_\_\_\_  
Administrative Signature  
(Optional)

\_\_\_\_\_  
Authorized Official

\_\_\_\_\_  
Date

## STANDARD TERMS AND CONDITIONS

1. The University is not bound by this Contract until it is approved by the appropriate University official(s) indicated on the signature page of this Contract.
2. This Contract may be modified only by a written amendment which has been executed and approved by the appropriate parties as indicated on the signature page of this Contract.
3. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the University.
4. Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
5. The Contractor warrants that no part of the total Contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
6. The Contractor shall maintain documentation for all charges against the University under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
7. No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notice of non-discrimination.
8. The Contractor, being an independent contractor, agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all taxes incident to this Contract. The University shall have no liability except as specifically provided in this Contract.
9. The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
10. This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
11. The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
  - A. A Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
  - B. A Contractor shall not make or influence University decisions or use University resources in a manner that results in:
    - Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or
    - Unfair advantage to or favored treatment for a third party outside the University.
  - C. A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research.

The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:

  - A. Any partners or employees of the Contractor who are also employees of the University.
  - B. Any relatives of the Contractor's partners or employees who work for the University.
  - C. Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
12. If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
13. It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law).





**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE  
FISCAL REVIEW COMMITTEE**

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
615-741-2564

**Rep. Charles Curtiss, Chairman**  
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Curt Cobb  
Dennis Ferguson  
Frank Niceley  
Craig Fitzhugh, *ex officio*  
Speaker Jimmy Naifeh, *ex officio*

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Douglas Henry, *ex officio*  
Lt. Governor John S. Wilder, *ex officio*

David Fowler  
Steve Southerland

**M E M O R A N D U M**

**TO:** The Honorable Dave Goetz, Commissioner  
Department of Finance and Administration

**FROM:** Charles Curtiss, Chairman  
Don McLeary, Vice-Chairman

**DATE:** May 16, 2006

**SUBJECT:** Contract Comments  
(Contract Services Subcommittee Meeting 5/15/06)

**RFS #** N/A

**University of Tennessee**

**Contractor:** UT Medical Group, Inc.

**Summary:** This vendor is responsible for the supervision of OB/GYN residents at the Baptist Women's Hospital. This is a one-year contract with a term beginning July 1, 2006, and ending June 30, 2007.

**Maximum liability:** \$400,000

After review, the Fiscal Review Committee voted to recommend approval of the contract.

cc: Dr. John Petersen, President, University of Tennessee  
Ms. Sylvia Davis, Vice President for Administration and Finance  
Robert Barlow, Director, Office of Contracts Review